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MOZAMBIQUE FORSSAS (HEALTH AND SOCIAL WELFARE SYSTEMS STRENGTHENING)

QUARTERLY TECHNICAL PERFORMANCE REPORT: FISCAL YEAR 2013, QUARTER 1

October 1 – December 31, 2012

Cooperative Agreement No. AID-656-A-12-00002

January 31, 2013

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Prepared for:

USAID/Mozambique, Integrated Health Office

Prepared by:

Deloitte.

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Acronyms

APE*	Community Health Worker (<i>Agente Polivalente Elementar</i>)
CHW	Community Health Worker
CIDA	Canadian International Development Agency
CMAM*	Central Medical Stores (<i>Central de Medicamentos e Artigos Medicos</i>)
DAF*	Directorate of Administration and Finance (<i>Direcção de Administração e Finanças</i>)
DNAM	National Directorate of Medical Assistance (<i>Direcção Nacional de Assistência Médica</i>)
DNSP	National Directorate of Public Health (<i>Direcção Nacional de Saúde Pública</i>)
DPC*	Directorate of Planning and Cooperation (<i>Direcção de Planificação e Cooperação</i>)
DPS	National Directorate of Public Health (<i>Direcção Provincial da Saúde</i>)
FORSSAS*	Health and Social Welfare Systems Strengthening (<i>Fortalecimento dos Sistemas de Saúde e Acção Social</i>)
GRM	Government of the Republic of Mozambique
HSS	Health Systems Strengthening
ICSM*	Health Sciences Institute of Maputo (<i>Instituto de Ciências de Saúde de Maputo</i>)
IR	Intermediate Result
M&E	Monitoring and Evaluation
MISAU*	Ministry of Health (<i>Ministério de Saúde</i>)
MMAS*	Ministry of Women and Social Welfare (<i>Ministério da Mulher e da Acção Social</i>)
MTEF	Medium Term Expenditure Framework
NHA	National Health Account
PES	Annual Economic and Social Plan (<i>Plano Económico e Social</i>)
PESS	Health Sector Strategic Plan (<i>Plano Estratégico do Sector Saúde</i>)
PBF	Performance Based Financing
PIREP*	Integrated Program for the Reform of Professional Education (<i>Programa Integrado da Reforma da Educação Profissional</i>)
PFM	Public Financial Management
PMO	Project Management Office
PMP	Performance Monitoring Plan
RCPC	Division of Accounting and Reporting, formerly known as the Accounting Unit (<i>Repartição de Contabilidade e Prestação de Contas</i> , formerly known as the <i>Unidade de Prestação de Contas</i>)
STTA	Short Term Technical Assistance, or Short Term Technical Advisor
UGEA	Acquisitions Executive Management Unit (<i>Unidade Gestora Executora de Aquisições</i>)
USAID	United States Agency for International Development
USG	United States Government

**Portuguese acronyms, formal definition provided in italics*

Executive Summary

The Mozambique Health and Social Welfare Systems Strengthening Program (FORSSAS) is a five-year USAID project awarded to Deloitte Consulting, LLP in July 2012. The purpose of FORSSAS is to provide technical assistance to the government of Mozambique to address specific constraints hampering the health and social welfare system and ultimately achieve improved health outcomes. This report describes the project's accomplishments, challenges faced and successes realized during its second quarter of implementation, October 1 through December 31, 2012.

During this quarter, FORSSAS completed the transition from a Health Systems 20/20 program recipient to an independent bilateral funded solely by USAID Mozambique. The FORSSAS team completed the majority of outstanding project start up activities and hired several new staff.

Intermediate Result (IR) area one (effective governance) mapped payment processes for the Directorate of Administration and Finance (DAF) and four major cost centers. FORSSAS trained Repartição de Contabilidade e Prestação de Contas (RCPC) staff on preparation of MISAU's financial statements, per weaknesses cited by the Global Fund. Mindful of local resource constraints, IR1 also kicked off activities for procurement strengthening at CMAM. FORSSAS recognizes the importance of aligning with broader health systems strengthening efforts, and the IR1 work stream supports the PFM Strengthening Plan in several areas, including defining roles and responsibilities and PFM standard operating procedures for DAF, strengthening the link between planning and execution strengthening internal controls.

During the period, the IR2 (integrated health financing) team held discussions with DPC's Health Planning and Health Economics Department to prepare for FORSSAS support of MTEF and NHA exercises. The remainder of IR2 technical staff will join the project in January 2013.

Under IR3 (sustained operations capacity), the project discussed and prepared for the transition of the FORSSAS M&E Advisor from a Global Fund focus to a wider range of technical support. The IR3 team also supported Global Fund Round 8 HSS grant negotiation, revision, and explored options for incorporating Global Fund requirements in e-Sistafe.

As part of its ongoing activities related to Global Fund grant application and reporting, FORSSAS helped secure over \$35 million USD in disbursements for national malaria and HIV programs. The 2013 essential medicines were also secured during the quarter.

For the first time in over 20 years, social welfare technicians and early childhood educators are now being trained in standard service delivery and prevailing best practices. In conjunction with the Ministry of Women and Social Welfare (MMAS) and the Institute of Health Sciences of Maputo (ICSM), the FORSSAS IR4 team (strengthened human resources management and increased retention of health and social welfare staff) graduated 55 students from competency-based pilot courses.

FORSSAS activities are integrated with MISAU's Annual Economic and Social Plan (*Plano Económico e Social*) and the Public Financial Management Strengthening plans, and the project supports MISAU in implementing these plans. Strengthened systems, and in particular procurement, financial management and M&E systems, are key pillars that sustain the country accelerated treatment plan and support provided by PEFAR, the Global Fund, Prosaude, World Bank and other partners. The activities and successes of the period, in addition to the finalization of the year one work plan and performance monitoring plan, will lay the foundation for increased stakeholder buy-in, forward movement of the work streams and overall progress.

1. Introduction

During the period of October 1 through December 31, 2012, the Mozambique Health and Social Welfare Systems Strengthening Program (FORSSAS) completed the transition from its role as a Health Systems 20/20 program recipient to an independent bilateral funded solely by USAID Mozambique. During the quarter, the FORSSAS team completed the majority of outstanding project start up activities, laying the foundation for continued technical assistance and progress. Notable successes during the period include: the mapping of current state payment processes for DAF and four major cost centers; the successful disbursement (totaling over \$35M USD) for Global Fund Round 9 HIV and Malaria grant agreements; and the graduation of 55 health and social welfare workers from an education program co-piloted with MMAS.

FORSSAS activities are integrated with MISAU's Annual Economic and Social Plan (*Plano Economico e Social*) and the Public Financial Management Strengthening plans, and the project supports MISAU in implementing these plans. Strengthened systems, and in particular procurement, financial management and M&E systems, are key pillars that sustain the country accelerated treatment plan and support provided by PEFAR, the Global Fund, Prosaude, World Bank and other partners.

1.1 Project Background

The Mozambique Health and Social Welfare Systems Strengthening Program (FORSSAS) is a five-year USAID project awarded to Deloitte Consulting, LLP in July 2012. The purpose of FORSSAS is to provide technical assistance to the government of Mozambique to address specific constraints hampering the health and social welfare system in order to achieve improved health outcomes.

The key result areas for FORSSAS are:

1. **Effective governance:** Increased effectiveness in health governance to achieve a more responsive, participatory, transparent and accountable health system through improved planning management and budget execution;
2. **Integrated finance:** Improved health public financial management for integrated services to ensure rational allocation of resources, increased GRM investment, ongoing support through external funders like Global Fund, and maximized health impact;
3. **Sustainable operations capacity:** Improved skills, knowledge and tools in finance, governance, and human resource management to improve service delivery at central, provincial and local levels; and
4. **Strengthened human resources management and increased retention of health and social welfare staff:** Specifically strengthened institutional capacity to plan, distribute, retain and train health managers, GRM community health workers (APEs), and social workers.

This report describes the project's accomplishments, challenges faced and successes realized during its second quarter of implementation, October 1 through December 31, 2012.

1.2 Recent Expenditures

A separate document outlining recent expenditures, the Quarterly Financial Report, is attached.

2. Progress, Challenges, and Upcoming Activities by Intermediate Result

This section provides an overview of Deloitte's progress in supporting each of the four Intermediate Results (IRs) for FORSSAS, including challenges experienced and plans for the upcoming quarter.

2.1 Intermediate Result 1: Increased Effectiveness in Health Governance

2.1.1 Current and Cumulative Progress

The final work plan catalyzed forward movement of the work stream and aligned several FORSSAS efforts with the PFM Strengthening Plan. Although some IR1 activities began in earnest late in the quarter, the current period's activities laid a considerable amount of groundwork for long-term impact at both DAF and CMAM.

FORSSAS recognizes the importance of aligning with broader health systems strengthening efforts, and the IR1 work stream supports the PFM Strengthening Plan in several areas. For example, FORSSAS is directly supporting PFM Plan Activity II-A-1, "Implement functionalization of DAF and Improve CMAM management", by defining roles and responsibilities and PFM standard operating procedures for DAF. As with our predecessor project Health Systems 20/20, we plan to support the finalization of the *Funcionalização da DAF* document once MISAU's senior leadership approves the organogram. PFM Plan activity II-B-3 aims to strengthen the link between planning and execution, aligning financial reporting with PES progress reports. The link between our IR2 and IR1 teams will support this effort. Activity II-B-5, raised by the Global Fund's Inspector General's report, highlights the need to strengthen internal controls on fuel and travel. These two processes are priority targets for standard operating procedures to be developed in the coming quarter. These are just a few examples of how FORSSAS supports this critical strengthening plan.

The most impactful activity completed this quarter was the mapping of the payment processes for DAF and four major cost centers: CMAM, DNAM, DNSP and UGEA. This activity established the baseline for process improvement in financial management, identifying bottlenecks and issues that threaten process and product quality throughout DAF and the four cost centers. Moreover, this activity provides a map for selecting performance indicators and measuring results, one of the other key activities to be completed during the upcoming period.

FORSSAS advisors are striving to increase the sustainability of the systems and processes they have developed and instituted at DAF to date. To this end, a series of capacity development activities were executed during Q1, including training of staff from the Repartição de Contabilidade e Prestação de Contas (RCPC, formerly known as the Unidade de Prestação de Contas). In one instance, FORSSAS trained RCPC staff on preparation of MISAU's financial statements, one of the weaknesses identified by the Global Fund Inspector General's report. Considerable FORSSAS resources were provided to respond to the inquiries of the Global Fund regarding the Round 8 Health Systems Strengthening (HSS) grant, including meetings with the Ministry of Finance and development of Global Fund-specific internal controls and processes. The latter activity was done in collaboration with counterparts from the Global Fund Unit in DPC.

Activities in IR1 for procurement strengthening at CMAM focused on work stream startup and further defined the scope. FORSSAS assembled a team of Deloitte procurement specialists, who then traveled to Maputo to execute several groundwork activities. The specialists conducted a desk review of existing assessments and documentation. The procurement advisors then interviewed key personnel at CMAM and other MISAU directorates involved with procurement to assess the current state and procurement roles and responsibilities. The team prepared a series of observations and business requirements and presented these findings to CMAM leadership. As a result, FORSSAS and CMAM developed more detailed phase 1 and notional phase 2 timelines. Toward the end of the quarter, these results were

presented to key USAID and CMAM stakeholders, laying the groundwork for the long-term collaboration between FORSSAS and CMAM's procurement department.

2.1.2 Challenges Encountered and Solutions

Ministry of Health staff continues to task FORSSAS advisors at DAF with activities unrelated to the agreed-upon work plan, presenting challenges in achieving project results. This extraneous involvement includes assignments from DAF leadership and requests from other MISAU directorates. FORSSAS leadership reminds DAF directors frequently about this issue. Moving forward, the team will remain conscious of resource limitations and will minimize the level of effort spent on unforeseen activities.

Activities in IR1 for procurement strengthening were limited for this quarter as the work stream was initiated in December 2012 and limited to introductory interviews and project scoping sessions. The team's inability to secure a meeting with the Permanent Secretary before January 2013 hindered the initiation of activities with UGEA in Q1.

2.1.3 Plans for Upcoming Quarter (January 1, 2013 – March 31, 2013)

- Define, in more detail, the year one work plan for CMAM PFM activities
- Recruit short term technical assistance (STTA) to support CMAM public financial management (PFM) activities
- Contribute to the development of CMAM's 2013 Plan of Action for PFM
- Draft performance indicators for DAF's financial management processes
- Determine scope of work for IR1 subcontractor
- Engage the Permanent Secretary in activities with UGEA
- Conduct as-is analysis of CMAM procurement procedures, including the completion of detailed process interviews, documentation and review of process flows, data collection, calculation of performance baselines and assessment of organizational structure
- Design procurement tracking database and document archiving system (supports CMAM Operational Plan 2012 activities 8.3.1¹ and 8.3.3²)
- Initiate procurement workload analysis activities
- Complete the hire of financial management, procurement and internal audit staff

2.2 Intermediate Result 2: Improved Management of Health Sector Financing

2.2.1 Current and Cumulative Progress

During this period, the team held discussions with DPC's Health Planning and Health Economics Department to prepare for FORSSAS support of MTEF and NHA exercises.

¹ Review the filing system for procurement, purchasing, warehousing and distribution processes at the CMAM

² Create and update the system for monitoring the performance of suppliers, including the management of supplier contracts

2.2.2 Challenges Encountered and Solutions

Activities in IR 2 were limited during this quarter since the IR 2 technical staff will not join the project until January 2013.

2.2.3 Plans for Upcoming Quarter (January 1, 2013 – March 31, 2013)

- Collate NHA data and identify information gaps, including incomplete data sources
- Complete a stakeholder assessment for the upcoming NHA development and institutionalization processes
- Identify NHA data sources
- Organize NHA team and decide upon a governance structure
- Organize NHA Steering Committee
- Provide comprehensive training to the NHA team
- Support 2013 MTEF data collection and data quality processes
- Assist with MTEF 2013 data analysis and reporting
- In collaboration with MISAU Planning Department, identify PBF scheme objective and goals in order to target optimal effectiveness
- Facilitate establishment of a PBF unit within MISAU in order to support a government-led implementation of a PBF scheme
- Engage MISAU in initial activities regarding the establishment of a National Health Financing Strategy

2.3 Intermediate Result 3: Strengthened Management and Operations Capacity

2.3.1 Current and Cumulative Progress

Between October and December, the FORSSAS IR3 team increased buy-in for the transition by commencing discussions with DPC leadership. These discussions aligned expectations between project and MISAU staff regarding FORSSAS objectives. This was a critical step in shifting the project focus from the Health Systems 20/20 program to a FORSSAS-centric mindset.

During the period, the project discussed and prepared for the transition of the FORSSAS M&E Advisor from a largely Global Fund focus toward a wider range of technical support for the sector's M&E activities. This assistance will include capacity development for MISAU staff in the area of performance management. This broader focus was demonstrated through the M&E Advisor's support to the elaboration of the government's mid-term review of the health sector plan (PQG). Assistance was also provided to review the activities of the first three quarters of 2012 (Balanco do PES, 9 meses). As a result of her support to the development of these key documents, the M&E Advisor is now more aware of the detailed requirements and challenges that need to be addressed by the project.

FORSSAS carried out several activities related to Global Fund, including the provision of support to all national programs for grant applications and reporting. The team helped to submit clarification and responses on conditions precedents, special conditions and required management actions to the Local Funding Agent. This activity secured essential medicines for 2013. As a result of this work, the Global Fund also proceeded with the December 2012 disbursement of funds (\$11,666,615 USD for malaria and \$23,964,180 USD for HIV).

FORSSAS advisors supported Round 8 HSS grant negotiation, revising the workplan, budget and performance framework in collaboration with stakeholders. FORSSAS assisted MISAU to address the financial requirements imposed by the GF in part through discussion with the Ministry of Finance which explored options for incorporating GF requirements in e-Sistafe.

Round 9 Phase II proposals will be submitted in March 2013. Initial discussions with the malaria and HIV programs regarding these proposals are now underway.

2.3.2 Challenges Encountered and Solutions

In line with FORSSAS sustainable systems strengthening objectives, the project will gradually provide broader assistance outside of those activities specific to Global Fund reporting, to include HMIS strengthening. Initially, this was a significant strain on the M&E Advisor's time. Accordingly, two FORSSAS M&E Officers were hired. After on-boarding, they will work together to support activities under the M&E Advisor and within DPC's Department of M&E and DIS.

The Ministry's Department of Projects expressed the intention to replace the current GFU coordinator with a senior coordinator with a public health background. This change will require a reorganization of FORSSAS resources under this work stream.

2.3.3 Plans for Upcoming Quarter (January 1, 2013 – March 31, 2013)

- Assist DPC in negotiating Round 8 HSS grant agreement with the Global Fund Secretariat, including addressing financial management shortcomings identified by the GF
- Develop progress updates and disbursement requests (PUDRs) for Round 9 HIV, Round 9 malaria, and Round 7 tuberculosis Global Fund grants for February 15 submission
- Facilitate PUDR verification process by LFA
- Maintain continuous support of the HIV and malaria national programs during preparation of the Phase II proposal for the Global Fund
- Update the financial and operations manuals for the Global Fund Round 8 HSS grants agreements
- In the context of Annual Evaluation of Health Sector (ACA) 2012, elaborate data verification protocol and tools, train teams for the field visits, participate in province visits and elaborate provincial reports
- Participate in joint ACA 2012 working groups
- Add 2012 data to annual health statistics report
- Support MISAU Department of M&E to define the structure of the health sector M&E system at all levels
- Support DIS in the evaluation of proposals on information systems for patient follow-up
- Support DIS to finalize the data dictionary, thus avoiding duplication of data collection tools among programs
- Clarify whether need to develop a strategic plan for M&E (separate from PESS) is required
- Support DIS to develop ToR for conducting health infrastructure inventory
- Elaborate data verification protocol for routine data quality verification for DIS

2.4 Intermediate Result 4: Strengthened Institutional Capacity to Improve the Management, Budgeting, and Performance of Key Health and Social Welfare Staff

2.4.1 Current and Cumulative Progress

In addition to the IR4 lead starting with the program, the FORSSAS APE Advisor continued her technical support and capacity development for the community health worker (CHW) program, within MISAU's CHW Coordination Unit in MISAU. Also during this quarter, the second semester of competency-based pilot courses under the Ministry of Women and Social Welfare (MMAS) concluded at the *Instituto de Ciências de Saúde de Maputo* (ICSM). The two pilot courses graduated 30 students under the Social Welfare Technicians (Level 5) program and 25 students under the Early Childhood Educators (Level 3) program.

Local consultants continued to develop the required curriculum package for the Level 4 program, in coordination with the Early Childhood Educator Technical Working Group. Required training materials include the competency units and modules. The IR4 team submitted these modules for MMAS and Programa Integrado da Reforma da Educação Profissional (PIREP) review. Finalization of the Level 4 evaluation instruments is underway; FORSSAS will submit these instruments for MMAS and PIREP review and feedback in the upcoming quarter.

2.4.2 Challenges Encountered and Solutions

The addition this quarter of CIDA to the CHW Coordination Working Group is meant to strengthen and integrate ongoing activities. However, it could exacerbate larger issues surrounding the group's cohesion and potential duplication of efforts.

In order to avoid uncoordinated and non-communicative situations between members, FORSSAS is facilitating the organization of the upcoming national meeting, which will provide a common platform for group discussion, coordination and planning. During this meeting, FORSSAS advisors will facilitate the design of a joint plan for stakeholder involvement. Standardizing CHW indicators, a future FORSSAS activity, will align the performance expectations of group members. Lastly, FORSSAS is working with the group to identify possible solutions for joint supervision, including the development of a "scenarios for supervision" analysis, which presents multiple options for action.

Due to challenges in scheduling, the timing of the practicums for the students in the Early Childhood Educator course was adjusted; the practicum is now scheduled for the first quarter of 2013. Additionally, the PIREP evaluation for course approval and certification has been delayed due to the failure of course professors to complete mandatory internal evaluations. FORSSAS will continue follow-up on this matter.

2.4.3 Plans for Upcoming Quarter (January 1, 2013 – March 31, 2013)

- Complete at least one CHW Program supervision visit with partners
- Organize meetings with CHW working groups (Coordination, Logistics, M&E and Training) and sub-groups in order to design specific tasks
- Meet with CHW Program donors and partners to present financial gaps in the APE Program and obtain future funding commitments
- Execute CHW Program Official Launch (tentatively scheduled for February 26)

- Facilitate CHW National Review Meeting to analyze progress, discuss challenges and plan for the way forward with key stakeholders (tentatively scheduled for February 28-March 1)
- Oversee student completion of Early Childhood Educator Level 3 course practicum
- Collaborate with MMAS to complete the internal evaluation by the pilot course professors
- Oversee PIREP's completion of external evaluation and certification of the pilot courses, facilitating as necessary
- Oversee ICSM initiation of Early Childhood Educator Level 4 course and Social Welfare Technician Level 5 course
- In collaboration with MMAS, conduct an evaluation of first year of pilot courses and identify improvements to be incorporated into year two
- Coordinate finalization of evaluation instruments for the Level 4 EI course and submit to PIREP and MMAS for review
- Facilitate development of guidelines for the Level 4 EI course with technical working group
- Support MMAS to finalize the selection process for 30 new Social Welfare Technician students for the second round of the Level 5 course at ICSM

3. Performance Monitoring Progress, Challenges, and Upcoming Activities

3.1 Current and Cumulative Progress

This quarter, the team submitted a revised project workplan and performance monitoring plan for USAID's review. The plan took into consideration some evolving scopes of work. USAID's subsequent feedback will be incorporated into a revised work plan and PMP, to be submitted during quarter two. Quarterly performance data on project indicators can be located within Appendix A of this document.

3.2 Challenges Encountered and Solutions

Due to an issue discovered in the HMIS regarding provincial data, both the baseline and the October to December 2012 figure for indicator fourteen, the *Number and percentage of districts submitting timely, complete and accurate Module Basico reports*, are under validation. The FORSSAS M&E team is working with MISAU staff to validate figures as soon as possible and will report these figures, once validated, to USAID. The FORSSAS team will also be assessing the risk posed by this issue to any other indicators currently tracked by the project and/or MISAU.

Currently, data for indicator three (*Number and percentage of PFM strengthening actions met in the areas of intervention for FORSSAS (i.e. Financial management)*) is dependent upon continued PFM working group activity. FORSSAS will begin to explore alternative data sources for this indicator, in the event that the working group's activity does not continue.

It is typically challenging to consistently collect reliable data in resource-constrained environments. Many times, these environments lack the appropriate systems, staff, leadership, culture and/or capacity to fully commit to ongoing performance management. Mozambique is not an exception to this rule.

Accordingly, FORSSAS acknowledges that there is still some indicator data missing from the indicator measurement matrix in this report (Appendix A). This is not entirely surprising given that this is the

second quarter of project implementation and several M&E positions are still in the process of being staffed.

The FORSSAS M&E team understands the importance of collecting baselines and setting performance targets early in the project and expects to finalize all baselines and targets for the remaining indicators (defined at this time) by the end of FY13 quarter 2. Moving forward, staff will make every attempt to produce regular data points and associated analysis. Staff will concurrently work with MISAU and other stakeholders, as part of performance management capacity development activities, to build their ability to take part in and eventually take on relevant performance monitoring and management activities.

3.3 Plans for Upcoming Quarter (January 1 – March 31, 2013)

- Incorporate and submit revisions to FORSSAS work plan and PMP, as required by USAID feedback
- Collect outstanding baselines and identify remaining project year targets
- Finalize data validation for indicator 14
- Explore alternative data sources for indicator 3

4. Other Activities

4.1 Operational Start-Up

During the period, the team completed the majority of outstanding project start-up activities. Specifically, start-up activities completed this quarter focused on finalizing the office setup, implementing necessary project processes and procedures, and continuing to support program staffing needs.

The FORSSAS office, located very near to MISAU, houses project administrative staff and short term technical advisors when they are not on site at counterpart locations. The operations team developed the project procurement guide, crisis management plan, and other tools (e.g. cost-sharing guidance, domestic travel processes), and internally vetted and validated the first financial tracking and reporting to facilitate proper project administration. The Finance and Operations director is now well-versed in the procedures necessary to record government furnished property.

4.2 Project Staffing

FORSSAS recruited several staff members this period; several previously recruited staff also began with the project as part of completing project start-up. From a leadership perspective, the Program Director, the Finance and Operations Director and the IR3 and IR4 Lead all began with the project. Critical Advisor roles for CMAM Quality Assurance and DPES were also filled; these staff will commence work with the project in January 2013. Operations and officer support were also hired in the form of an Operations Manager, a DPES Officer, a DPC M&E Officer and a DPC DIS Officer, all to begin in January as well.

5. Success Stories

5.1 Global Fund Round 9 Disbursements Secured for HIV and Malaria

As part of its ongoing activities related to Global Fund grant application and reporting, FORSSAS helped to secure over \$35 million USD in disbursements for national malaria and HIV programs (\$11,666,615

USD for malaria and \$23,964,180 USD for HIV). The essential medicines for 2013 were also secured during the quarter. These accomplishments represent an increasing commitment to compliance and transparency on behalf of Global Fund recipients. Throughout the duration of the project, FORSSAS will continue to build a culture of performance management, data use and accountability among MISAU staff.

5.2 Graduation of 55 Social Welfare Technicians and Early Childhood Educators

For the first time in over 20 years, social welfare technicians and early childhood educators are now being trained in standard service delivery and prevailing best practices. During this quarter, FORSSAS graduated 55 students from competency-based pilot courses under the Ministry of Women and Social Welfare (MMAS). These courses were carried out in conjunction with the Institute of Health Sciences of Maputo (ICSM).

The two pilot courses educated 30 students within the Level 5 Social Welfare Technicians program and 25 students within the Level 3 Early Childhood Educators (Level 3) program. The last trainings held by MMAS for Social Welfare Technicians and for Early Child Educators were held in 1999 and 1986, respectively.

These courses lay the foundation for stronger and more capable human resources for health in Mozambique. Throughout the FORSSAS lifecycle, these courses and other curriculum will be finalized and executed, increasing the number of educated technicians and educators and eventually decentralizing this human resource strengthening activity to the provincial level for sustainable improvement. The below quotes from program participants demonstrate the positive reception and value of the courses.

Early Childhood Educator participants:

"As a result of this course my work and performance will change in many ways. Now that I have professional knowledge of this topic, I will contribute to improved service delivery."

"My perspective has now changed. I [used to center my activities] on the educator or teacher. After the course, I will perform the activities in an inclusive child-centered manner."

"The course is really very important to today's society because it allows us to have qualified professionals, able to respond to all situations inherent to child education."

Social Welfare Technician participants:

"My work and performance will change much, I used to deal with the target group without appropriate knowledge and now, after the course, I am very well-trained and hope to deal with beneficiaries very well."

"The sector's ability, attitude and way of being are going to change, ensuring the welfare of vulnerable groups in the community as well as the institution."

"The course was very good for me because I learned to deal with colleagues, I learned to hear the opinion of colleagues, and I learned to deal with the target group. Before the course, I had no such knowledge. I now promise to serve the target group with much dedication."

“I want to thank them for the opportunity and to say I am so lucky to graduate through these conditions.”

6. Lessons Learned

6.1 Mitigating Disruption to CMAM through Open Communication, Increased Operational Support and Efficiency

Based on prior discussions with CMAM leadership, FORSSAS staff will remain sensitive to CMAM procurement staff workload levels while completing project tasks. FORSSAS staff will work to mitigate potential disruption to the day-to-day activities of CMAM staff. The team will continue to communicate regularly and openly with CMAM management regarding this matter. This constraint highlights the importance of increasing the efficiency of activities performed by CMAM staff, especially in the area of procurement. Procurement strengthening activities such as process improvement, workload reallocation, tool development, and CMAM staff support will aim to address this challenge in the coming quarter. The project is also providing temporary operations support through a Procurement Advisor and a Procurement Officer, in order to allow CMAM to invest time in developing their system while simultaneously avoiding disruption of routine procurement processes.

7. Annexes

The Quarterly Financial Report for October to December 2012 is included as an annex.

Appendix A: Indicator Measurement Matrix

IR	Ind. No.	Indicator Name	Baseline (Date)	Current Value (Oct-Dec 2012)	PY 1 Target Jul '12-Jun '13	Comments*
IR1	1	Prosaude audit recommendation resolution rate in the areas of intervention for FORSSAS (i.e. Financial management)	58% (2010)	N/A	TBD	Reported annually, audit report for 2011 not currently available
IR1	2	Payment processing lead time (Disaggregated by type of invoice: routine goods and services, construction and equipment)	11.4 days (Operational expenditures) 38.3 days (Investments and capital purchases) (Sep-Nov 2012)	N/A	N/A	Indicator measures period from arrival at DAF to payment, baseline is derived from a sample, activities to address this indicator will not begin until project year 2
IR1	3	# and Percentage of PFM strengthening actions met in the areas of intervention for FORSSAS (i.e. Financial management) disaggregated by area and level of priority	To be calculated (Q2 FY2013)	TBD	TBD	Project team is in the process of collecting additional information from PFM working group
IR1	4	Number of site audits conducted by CMAM DAI	30 (Dec 2012)	30	110	The baseline value has been updated, the project year 1 target has been adjusted to account for the total number of site visits across all provinces as opposed to the number of provinces visited
IR1	5	Number of procurement SOPs developed	0 (Dec 2012)	0	TBD	Year 1 target will be determined in FY13 Q2)
IR1	6	Placeholder: Indicator to measure support for UGEA	TBD	N/A	N/A	Activities to address this indicator will not begin until project year 2.
IR2	7	% of Health expenditure execution compared to original approved health budget	To be calculated (Q2 FY2013)	N/A	TBD	Project team is in the process of capturing a baseline

IR	Ind. No.	Indicator Name	Baseline (Date)	Current Value (Oct-Dec 2012)	PY 1 Target Jul '12-Jun '13	Comments*
IR2	8	<p>Health Financing Strategy Implementation Plan Documented/Implemented (Ranked on a scale)</p> <p><i>Scale:</i></p> <p>0 = HFSIP does not exists and is not under development</p> <p>1 = HFSIP is under development but not yet approved</p> <p>2 = HFSIP is approved, but implementation has not begun</p> <p>3 = HFSIP is approved, implementation has begun, but is not completely effective</p> <p>4 = HFSIP is approved, implementation has been completed and repeatable, data outputs are used for decision making</p>	0 (Dec 12)	0	1	
IR2	9	<p>Simultaneous NHA production and institutionalization (Ranked on a scale)</p> <p><i>Scale:</i></p> <p>1 = NHA team not been established and no institutional home for NHA</p> <p>2 = NHA team and institutional home for NHA have been identified; data collection has not commenced</p> <p>3= Data sources and key stakeholders for the NHA process have been identified; discussions have been commenced with the statistics bureau about collection of private sector data</p> <p>4 = NHA Steering Committee has been organized to support the NHA exercise and drive the demand for data</p> <p>5= NHA institutionalization plan has been drafted</p>	2 (Dec 12)	N/A	3	Reported annually

IR	Ind. No.	Indicator Name	Baseline (Date)	Current Value (Oct-Dec 2012)	PY 1 Target Jul '12-Jun '13	Comments*
IR2	10	<p>PBF approach, methodology and performance targets defined (Ranked on a scale)</p> <p><i>Scale:</i></p> <p>1 = PBF approach, methodology, and performance targets are not defined</p> <p>2 = 'Pilot' institution(s) are selected, and performance metrics for the institution are agreed upon with key stakeholders.</p> <p>3 = Based on inputs from key stakeholder, PBF approach and methodology are drafted.</p> <p>4 = PBF approach, methodology, and performance targets are presented and accepted by key stakeholders.</p> <p>5 = Detailed PBF action plan is developed.</p>	2 (Dec 12)	2	3	
IR3	11	# and % of Condition Precedents (CPs) for GF disbursement and Management Actions (MAs) met for each period and disaggregated by area (Finance, M&E and PSM)	<p>15/29 (53%) (Jan-Sep2012)</p> <p><i>Disaggregation:</i></p> <p>Finance: 2/4 (50%);</p> <p>M&E: 7/13 (54%);</p> <p>PSM: 6/12 (50%)</p>	To be reported following LFA verification	55%	Reported semi-annually and retroactively, following verification of the Progress Update/Disbursement Request (PUDR) by the Local Fund Agent (LFA)
IR3	12	# and % Global Fund PUDRs (Progress Updates/Disbursement Requests) submitted on time	3 (33%) (Sep 11-Sep 12)	No PUDR submitted during the period	36%	Figures will be reported semi-annually due to frequency of PUDR submission

IR	Ind. No.	Indicator Name	Baseline (Date)	Current Value (Oct-Dec 2012)	PY 1 Target Jul '12-Jun '13	Comments*
IR3	13	Health Sector M&E Plan Implemented (Ranked on a scale) <i>Scale:</i> 1 = Health Sector M&E Plan is under development but not yet finalized and approved 2 = Health Sector M&E Plan finalized and approved, but not integrated within HMIS Strategic Plan 3 = Health Sector M&E Plan finalized and approved, integrated within HMIS Strategic Plan, but cannot at all levels be maintained without external support 4 = Health Sector M&E Plan finalized and approved, integrated within HMIS Strategic Plan, able to regularly maintain at all levels and produce usable outputs without external support	1 (Sep 12)	1	1	
IR3	14	# and Percentage of districts submitting timely, complete and accurate Module Basico reports	Under validation	Under validation	35% (45/128)	Due to an issue discovered with HMIS data, both the baseline and the current quarter's figure are under validation, the FORSSAS M&E team is working with MISAU staff to validate figures as soon as possible and will report to USAID when figures are validated
IR4	15	Number of social workers and early childhood educators graduated from pre-service training program, disaggregated by sex and cadre	0 (Dec 12)	EI: 25 (14 Male/11 Female) TAS: 30 (13 Male, 17 Female)	55	<i>Cadre disaggregation:</i> Level 3 EI graduates: 25 Level 5 TAS graduates: 30
IR4	16	# of provinces/districts that submits timely monthly reports to the APEs program at central level	60% (Oct-Dec 2012)	60%	90%	Decline from baseline to quarterly value coincides with the end of the performance based incentives.

IR	Ind. No.	Indicator Name	Baseline (Date)	Current Value (Oct-Dec 2012)	PY 1 Target Jul '12-Jun '13	Comments*
IR4	17	<p>MMAS and government (MISAU, MPD, MF) has incorporated professional medium-level courses of social workers and child educators into their annual plan and budget (Ranked on a scale)</p> <p><i>Scale:</i> 0 = No courses budgeted in the annual plan 1 = Policy dialogue started 2 = Agreement exists between MMAS and other ministries, but no budget is available 3 = Plan approved and Budget available (state budget and external sources) 4 = The plan is implemented</p>	0 (Dec 12)	N/A	1	Reported annually

**Reporting frequencies will follow the lifetime of the project. For example, those indicators reported annually will be submitted at the end of each project year.*